

OHS Budget Testimony

February 23, 2021



The Mission of the Office of Health Strategy

The mission of Connecticut's Office of Health Strategy is to implement comprehensive, data driven strategies that promote equal access to high-quality healthcare, control costs, and ensure better health outcomes for the people of Connecticut.

Governor Lamont's Proposed Budget for FY 2022 and FY 2023

Governor's proposed budget for OHS FY 2022 is \$12.9 million

- \$2.8 Million General Fund
- \$10.1 Million Insurance Fund (\$5.4 Million is attributed to HIT initiatives)

Governor's proposed budget for OHS FY 2023 is \$13.1 million

- \$2.9 Million General Fund
- \$10.2 Million Insurance Fund (\$5.4 Million is attributed to HIT initiatives)

Governor Lamont's Proposed Budget

Health Systems Planning

- No change in position count
- Cost of living adjustments for both FFY 2022 and FFY 2023

Other Adjustments

- Cost of living adjustments for both FFY 2022 and FFY 2023, etc. in insurance funded positions

Governor Lamont's Proposed Budget

Health Information Technology

- Adds position count (7) to general fund for positions that had been state/federally matched – positions and fringe benefit cost will continue to be federally reimbursed through the DSS Medicaid administrative claim.
- Matching percentage changes in FFY 22 under federal law
- Adds OE funds in Insurance Fund to support the HIE (Connie) to reflect changes in federal law – federal revenue from Medicaid administrative claim will be returned to carriers. Recognizes the value of the HIE to payers in Connecticut

Governor Lamont's Proposed Budget

Health Innovation – Executive Order No. 5

- Includes funding for Executive Order No. 5 to continue work on reining in increased healthcare spending growth, support primary care, and improve quality using equity lens
- Includes funding for continued work on benchmarks establishment data use strategy, ongoing analytics work
- Funding is consistent with contracted expenditures that were previously funded through a carry forward and were proposed in Governor Lamont's mid-term adjustments in 2020.

Health Innovation

Designing an Innovative Health System for Connecticut

- Establish a whole patient centered system.
- Improve community health and eliminate obstacles that limit the highest quality care to everyone regardless of race, ethnicity, language or any other factor.
- Ensure quality, access and a superior care experience.
- Create patient-centered delivery and payment models that help providers offer the most integrated holistic care.
- Improve affordability by reducing healthcare costs and promoting policies that help residents pay for care.
- Monitor prescription drug prices.



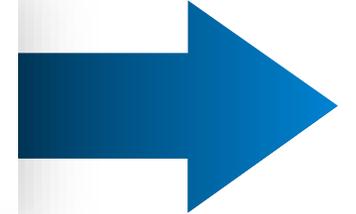
Connecticut's Executive Order #5

1



Cost Growth Benchmark

Recommendations for a cost growth benchmark that covers all payers and all populations for 2021-2025.

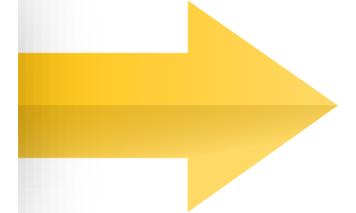


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Primary Care Spend Target

Recommendations for getting to a 10% primary care spend as a share of total healthcare expenditures by CY 2025, applied to all payers and populations.

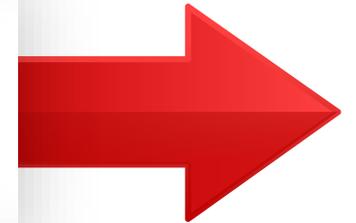


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Data Use Strategy

A complementary strategy that leverages the state's APCD, and potentially other sources, to analyze cost and cost growth drivers, and more.

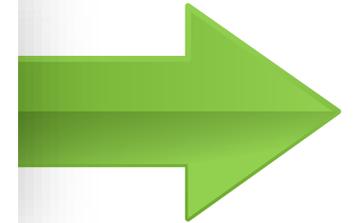


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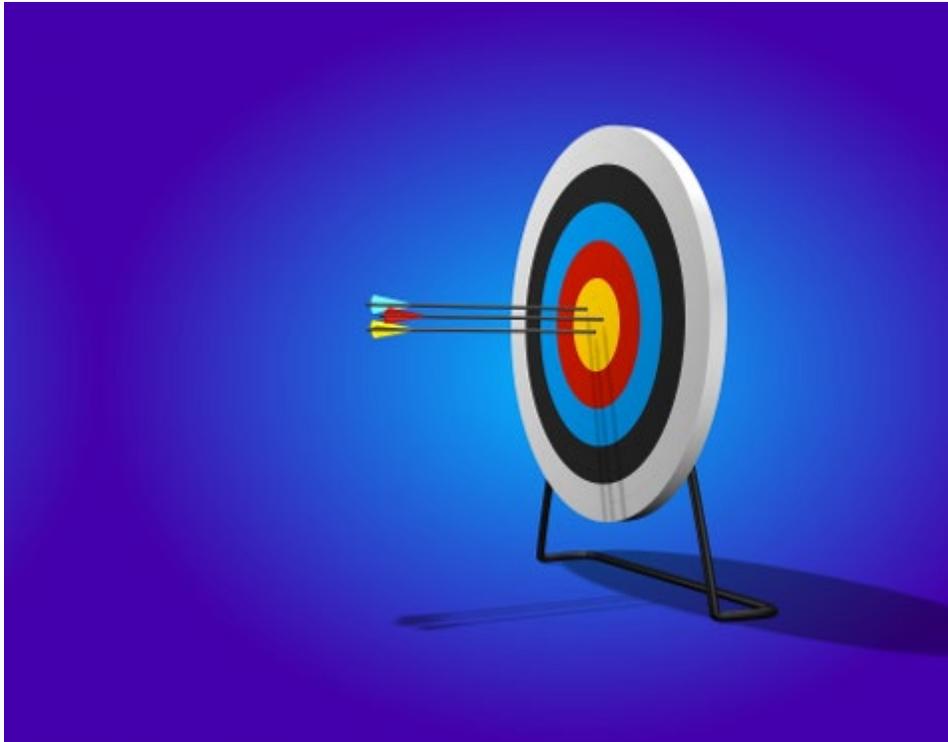


Quality Benchmarks

Recommendations for quality benchmarks applied to all public and private payers, effective 2022.



Healthcare Cost Growth Benchmark



- A per annum rate-of-growth target for healthcare costs in a state.
 - Costs include insurer and consumer-paid spending for all covered services, including pharmacy
 - Costs also include all non-claims spending made to providers from health plans, and
 - the Net Cost of Private Health Insurance

Connecticut's Cost Growth Benchmark

Connecticut's cost growth benchmark is a **per annum rate-of-growth benchmark for statewide healthcare spending.**

Calendar Year	Cost Growth Benchmark Methodology	Cost Growth Benchmark Values
2021	20% PGSP / 80% MI + 0.5%	3.4%
2022	20% PGSP / 80% MI + 0.3%	3.2%
2023	20% PGSP / 80% MI	2.9%
2024	20% PGSP / 80% MI	2.9%
2025	20% PGSP / 80% MI	2.9%

PGSP: potential gross state product

MI: median income

Health Innovation

Current Major Initiatives

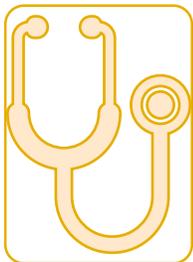


Executive Order No. 5 Deliverables



Health Enhancement Communities

- Identify and pursue strategies to address social determinants of health
- Foster local collaboration among traditional healthcare providers and other service providers



Primary Care and Community Health Reforms Work Group

- Align CT around proven capabilities and flexible model options that support patient-centered, convenient care delivered effectively and efficiently



Hospital Community Benefits / Anchor Institutions

- Collaborate with hospitals and other institutions on improving the health and economic prosperity of communities



Quality Measure Alignment

- Convene Quality Council to recommend core measurement set
- Host online healthcare quality scorecard



Prescription Drug Price Monitoring

- Operate online Prescription Drug Reporting System to receive price and cost information from manufacturers

Alignment with Other States

While customized for Connecticut, the recommended cost growth benchmark methodology is aligned with those adopted by Delaware, Massachusetts, Oregon and Rhode Island.



What is a Primary Care Spend Target?

- A primary care spend target evaluates **primary care spending as a percentage of total medical spending.**
- Connecticut is expected to **increase primary care spending as a percentage of total medical spending to 10% by 2025.**

Health Systems Planning

- Developed the Certificate of Need Waiver process for temporary increases in licensed bed capacity and temporary suspensions of hospital services to allow hospitals to expediently manage COVID-19 surges
- Transitioned to a virtual hearing platform in accordance with Executive Order 7B to continue to convene Certificate of Need public hearings with four hearings held since the start of the current fiscal year. (see, Docket Nos. 19-32342-CON; 19-32311-CON; 19-32339-CON; and 19-32239-MDF)

Health Systems Planning

- The number of Certificate of Need applications are projected to increase by 33% by the end of the current fiscal year based upon the current number of pending applications and data from prior years. Most of those applications are to establish new behavioral health facilities or to acquire imaging equipment.
- The complexity of Certificate of Need applications has increased with the Health Systems Planning Unit analyzing applications for new technology to the state and two applications for elective percutaneous coronary intervention.
- OHS Certificate of Need analysts continue to incorporate conditions into agreed settlements to control costs, ensure access to health care for all Connecticut residents, and increase transparency.

Health Systems Planning

- OHS Data and Reports analysts received numerous sets of data according to the following schedule:
 - Hospital financial and statistical, audited financial statements, Medicare Cost Report data in February and March, annually
 - Hospital discharge and outpatient surgery data, biannually
 - Hospital-based off-campus facilities facility fees data, annually
 - Trauma activation fee data, annually
 - Data on group practices with 30+ physicians, annually
 - Hospital pricemasters, annually and on as needed basis
 - Inventory on health care facilities, services and equipment, biennially

Health Systems Planning

- OHS analysts utilized the data in mandated reporting and informing policy. Reports and publications include:
 - The biennial Health Care Facilities, Equipment and Services Plan and Utilization report to identify trends, gaps in services and health disparities
 - The annual Hospital Financial Stability report to enhance knowledge of the financial status of hospitals
 - Hospital-based off campus facility fees, hospital trauma activation fees and related policies to provide transparency on issues related to surprise billing
 - Trends in hospital charity policies and recovery rates of unpaid medical debt
 - Hospital case-mix index trends as relates to cost
 - Hospital readmission penalties as relates to quality

Five-Year Statewide Health IT Plan

- Development and Implementation of strategic plan
- Environmental scan: webinars, surveys, interviews to inform plan development
- HHS agencies, state data plan alignment
- Goal is to support optimal health outcomes by
 - Increasing data availability and sharing
 - Improving interagency interoperability
 - Engaging people in their own health and care
 - Improving the use of new and existing Health IT systems

Health IT Initiatives

- Five-Year Statewide Health IT Plan
- Health IT Advisory Council and Workgroups
- All Payer Claims Database and Data Analytics/Reporting
- Health Information Exchange (Health Information Alliance dba Connie)
 - Including the promotion of the collection of REaL data

Important Elements of a Comprehensive Health IT Plan

- Adoption/promotion of standards
- Communication strategies
- Consumer engagement strategies
- Data system interoperability
- Financing strategies and sustainability plans
- Security and privacy requirements including implementation of consent policies
- Implementation timelines
- Improving data quality
- Interagency data sharing
- Measurement and analytics
- Prioritizing health IT investments

- Public/private governance options
- Regulatory and payment levers
- Resource requirements
- Shared data services for identity resolution/attribution
- Technical assistance and ongoing training
- Digital health, including telehealth data integration
- Comparison Study on State Health Analytic Programs
- Standardizing and integrating social determinants & social services data

Health IT Council and Workgroups

- Statutorily mandated public meetings with broad stakeholder participation
- Health IT Advisory Council – advises OHS on Health IT and HIE
- Medication Reconciliation and Polypharmacy Committee (MRPC) – advises Health IT Council on use of Health IT for Best Possible Medication History, Med Rec
- APCD Advisory Group, APCD Data Release Committee – advises OHS and approves use of APCD for research

All Payer Claims Database

- Data Analytics/Reporting
- Cost Estimator tool – [HealthscoreCT.com](https://www.healthscorect.com)
- Cost Growth Benchmark
- [Affordability Index](#)
- RAND 3.0 study
- Data use agreements – research

Health Information Exchange

- OHS provides administrative and fiscal oversight of Connie* for DSS/CMS funding
- Milestones-based funding established
- Implementation of CRISP for data exchange services | UConn AIMS for analytics services
- 25 participating provider organizations – including ProHealth, Yale, and Hartford Healthcare
- Use cases include alerts and empanelment; additional 5 use cases developed strategically and opportunistically
- Data flow testing underway
- 12/31/21 goals include 50% of hospitals, labs and physicians participating in exchange
- Provider and Consumer Outreach

*Connie: The Connecticut Information Exchange

Consumer Engagement

- Consumer Advisory Council
 - Monthly meetings to bring forth work of OHS to obtain input and feedback from the members of the Consumer Advisory Council (Cost Growth Benchmark, Health Information Exchange/Connie and consent, primary care, etc.)
 - Conduct and host listening sessions and consumer engagements
 - Completed Listening Session on LGBTQ Youth and Homelessness on 2/10/21
- Cost Growth Benchmark
 - Assist contractor in continuous authentic consumer engagement to civic and social groups as well as communities of color

Consumer Engagement

- Primary Care and Community Health Reforms Work Group
 - In planning stages for consumer and patient engagement listening sessions
- Health Information Exchange/Connie/Consent
 - Currently scheduling Listening Sessions with consumers/patients that incorporates the values and experiences of diverse populations.
 - To conduct 2 to 3 Listening sessions per month